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CONFIDENTIAL SANAA 000385

STPDTS

DEPT PASS TO USDA FOR DEPUTY ADMINISTRATOR SHEIKH DEPT FOR NEA/ARP AMACDONALD AND EEB/TPP/MTAA WCRAFT RIYADH FOR USDA REGIONAL DIRECTOR TAL-SAFFY DEPT PASS TO USAID FOR ME/MEA CKISCO

E.O. 12958: DECL: 02/24/2020

TAGS: EAID EAGR SOCI PREL PGOV SA YM

SUBJECT: USDA SUPPORT SOUGHT FOR ADEN HOSPITAL FUNDING

REF: A. 09 SANAA 1832

¶B. SAFFY-AGHBARY E-MAIL 1/20/10

1C. SAFFY-AGHBARY TELCONS 10/09-12/09

TD. SAFFY-AGHBARY E-MAIL 2/3/10

Classified By: Ambassador Stephen A. Seche for reasons 1.4(b) and (d).

- 11. (U) This is an action request: see paragraph two.
- 12. (U) ACTION REQUEST: Post requests that USDA confirm its readiness to allocate USD 3.6 million in existing USDA food aid to Yemen to fund a complete renovation of the Aden Hospital (locally referred to as al-Gomhory Hospital).
- 13. (C) The Aden Hospital, the main public-health facility in a governorate that includes millions of under-served rural and urban residents, has become a symbol of the central government's neglect of basic social services in the politically charged area of southern Yemen (REF A). hospital will benefit greatly from a major renovation package that includes a structural overhaul and new medical equipment. The USD 3.6 million, which post understood had been approved by USDA for the hospital is just the kind of quick-impact, high-profile project that could significantly contribute to USG development goals in Yemen and improve the U.S. image - and increase our influence - in a critically important part of the country. USDA assistance for the hospital, using uncommitted funds sitting in ROYG Social Fund for Development (SFD) accounts, could be announced as a deliverable as part of the recently inaugurated Friends of Yemen process, placing the U.S. at the forefront of the international donor community's efforts to address Yemen's pressing development needs.
- 14. (SBU) Echoing comments made by senior government officials over the past six months, Vice-Minister of Planning and International Cooperation (MOPIC) Hisham Sharaf told EmbOffs on February 17 that funding for the hospital was one of the ROYG's top development priorities. "Funding for the Aden Hospital is MOPIC's main development goal for the south now and is also our most important priority for using USDA money," Sharaf told EmbOffs. Sharaf stressed MOPIC's strong preference that the 3.6 million be used to fund the Aden Hospital renovation (REFS B and C), rather than reallocated to food security projects (REF D). "We have plenty of food security money coming from the Germans and others; what we don't have is large sums dedicated to basic social services such as the hospital."
- 15. (C) Comment. Post coordinated closely with Riyadh-based USDA Regional Director throughout this process and had understood (REF B) that the Aden Hospital renovation project enjoyed his support and that of USDA itself. On that basis, we informed senior ROYG officials of our intention to proceed with the project. The personal physician of Yemeni President

'Ali Abdullah Salih was consulted as part of advancing the project and he subsequently briefed the understood intentions of USDA to President Salih as well as composed the necessary tender specifications to move forward with the renovation. The views of the Deputy Minister of Planning and International Cooperation reported above further reflect the importance the ROYG attaches to this project, and the satisfaction with which it has received our pledge of support. If we are forced to withdraw this support now, it will call into question our reliability as a development partner and severely undermine our credibility with the host government. The Aden Hospital renovation presents us with a unique opportunity to provide tangible evidence of our commitment to government efforts to address the long-standing needs of its southern population and, in the process, strengthen Yemen's unity. We can achieve this outcome, which is very much in our national interest, with strong USDA support. End Comment. SECHE